

Kurt

From: Bill Powers [bpowers@powersengineering.com]

Sent: Tuesday, November 05, 2002 9:06 PM

To: Willie Gathers; Tom Blair; Rick Van Schoick; Martin Learn; Kurt; J.P. Ross; Irene; David Rohy;

Dave Roberts; Dan Perkins; Bernard Raemy; Alan Sweedler; Melanie McCuthan; Michael Shames;

Frank Mannen

Cc: Bill Powers

Subject: Mexicali Power Plants and Valley-Rainbow Interconnect

REPAC Colleagues,

I will be on the road tomorrow and will not be able to participate in the REPAC meeting. I do want to provide the following comment for potential incorporation in the revised draft REIS document.

Currently the US export output of the two new Mexicali plants, 1,160 MW, must go to San Diego due to the lack of a link such as Valley Rainbow to the wider world, and overabundance of supply from Arizona for the forseeable future. These two Mexicali plants will continue to supply up to 1,160 MW to the US for the forseeable future, unless Mexico takes the very big step of a constitutional amendment to allow these private plants to sell to the grid in Mexico. SAIC's draft REIS presentation at the REPAC meeting was about greater power asset security for San Diego. Valley Rainbow or similar interconnect would decrease the energy security we now have given the Mexicali plants are currently constrained to provide their power output to San Diego. The draft REIS report essentially ignores the 1,160 MW contribution of the two Mexicali plants, stating little of the power output from these plants will be available for

US use. That is incorrect. 1,160 MW will be available as needed and will go directly to the SDGE grid. The current arrangement without the Valley-Rainbow interconnect provides a major portion of the longterm energy security the draft REIS report indicates should be our strategic goal as a region.

Regards,

Bill Powers